

ABOLISH ALL TAX EXCEPT SALES TAX



Sales tax is the fairest tax of all and is not complicated. It takes a Philadelphia lawyer to interpret the tax laws now. Think of what it would be like to have no Federal Income Tax, no State Income Tax, no Property Tax, no Estate Tax, no Capital Gain Tax, no Ad Valorem Tax, no Inheritance or Death Tax. (Farms and businesses would not have to sell out to pay their taxes.) Sales tax would be charged on everything purchased except food and medicines and used goods two years or older. This would eliminate the Internal Revenue Service, State of Georgia Income Tax, State and County Tax Commissioners and Tax Assessors. There would be no compulsory inventory each year for businesses, eliminating much of the bookkeeping; no IRS audits. It is imperative we pay off the national debt.

Budgets for 2001 were:

\$8,986,084,000 (Eight billion, nine hundred eighty six million, eighty four thousand dollars) was the Internal Revenue Service budget. The IRS buildings could all be sold and applied to the national debt along with the annual IRS budget.

\$5,616,000,000,000 (Five trillion six hundred sixteen billion dollars) was the gross Federal debt for 2001. The <u>interest</u> on this debt for 2001 was approximately \$208.3 billion dollars.

\$273,319,282 (Two hundred seventy three million three hundred nineteen thousand two hundred eighty two dollars) was the approximate budget for collecting taxes for the State of Georgia.

\$660,027.50 (Six hundred sixty thousand twenty seven dollars and fifty cents) was the Floyd County, Rome, GA Tax Commissioner's budget.

\$923,957.21 (Nine hundred twenty three thousand nine hundred fifty seven dollars and twenty one cents) was the Floyd County, Rome, GA Tax Appraiser's budget.

The above is correct to the best of my knowledge but not guaranteed.

Each city, county, state government and the Federal government would set the percent of sales tax to be collected. They would use the same system we are using now to collect the sales tax. Forty- five out of fifty states collect (OVER)



(iRS)

sales tax now. States and cities that abolish all taxes except sales tax would attract industry and help keep companies from moving out of the United States. It would lower prices on goods since price now is marked up to cover taxes hidden in the price. Families could save more for home ownership, education and retirement.

There would be a savings of money, time, paper, and trees and, better yet, your nerves. There would be no cheating. Each person would pay their fair share of taxes according to the amount of money they have to spend. You would be in control of your money – not the government. It would help protect your privacy. It would promote more recycling. April 15th would be just another day. Recently at least 40,000 IRS returns and \$810 million payments were lost or destroyed in Pittsburgh. In 1985 tax returns were discovered in trashcans in women's restrooms in Philadelphia.

I know people do not like change, but I believe the above would be worth changing. Consumption tax is a more reliable source of revenue than on income.

Thanks in advance for your time and effort on this behalf. I hope you can support the above idea and look forward to hearing from you.

Styles H. Chandler
3264 Alabama Road NW
Rome, GA 30165-8804
Telephone 706/295-7360 - Email: schandler45@comcast.net

P.S. The government was created to protect you, not to take care of you. To take care of you, that's Communism. Relatives and then the church are to help you when you need help, not the government. The government has spent more than 7 trillion dollars to do away with poverty, and we have more poor people today than ever. In Matthew 26:11a, the Bible says "For ye have the poor always with you," KJV, and in II Thessalonians 3:10 "...this we commanded you that if any would not work, neither should he eat." KJV. I Timothy 5:8 says "If anyone does not provide for his relatives, and especially his immediate family, he has denied the faith and is worse than an unbeliever." NIV

Also, there should be a limit of two terms served in any political office and thus eliminate the professional politicians.

JOHN LINDER

COMMITTEE ON RULES

COMMITTEE ON
HOUSE ADMINISTRATION

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May 2, 2001

Mr. Styles H. Chandler 3264 Alabama Road, NW Rome, Georgia 30165

Dear Mr. Chandler:

Thank you for contacting me with your support for a national retail sales tax to replace the income tax. I appreciate your taking the time to share your thoughts with me.

I wholeheartedly support legislation to replace the federal income tax with a national sales tax. The "FairTax" bill, H.R. 2525, that I am sponsoring this Congress will eliminate all income taxes, all taxes on capital gains, all payroll taxes (including Social Security and Medicare taxes), the self-employment tax, and the gift and death tax. In the place of these assorted burdens on the average American, the government would impose a 23 percent sales tax on all retail sales of goods and services. Additionally, every family would receive a rebate of the sales tax on spending up to the Federal poverty level, to be paid monthly in advance. This would allow a family of four to spend \$22,500 annually without having to pay a single penny in Federal taxes. In effect, such a rebate allows all Americans to purchase essential goods and services tax-free.

The FairTax would truly revolutionize our economy. Without the stifling impediment to growth that is the income tax, Americans will be able to save more, and businesses will be able to invest more. Individuals will have incentives to engage in capital formation, the real source of job creation and innovation, more than ever before. Respected economists have concluded that the nation's gross domestic product, a measure of economic production, will increase by 10.5 percent above current projections. In addition, the FairTax will raise the economy's labor output and real wage rate. Businesses will have incentive to direct large amounts of capital back into the United States, capital that would otherwise have been located overseas.

Because income and payroll taxes are embedded in the prices of every good and service we buy today, prices will drop by an average of 22 percent. Anytime you purchase a good from a store, its cost has already been adjusted by the seller to compensate for the added costs imposed on his business that result from being forced to fill out reams of paperwork and keep track of payroll and corporate income tax payments. Without these hassles, retailers will be able to reduce prices across the board, so that even with a 23 percent sales tax added to the final price of a good or service, you will end up paying about the same amount as you do today. The important difference is that you can keep all the money in your paycheck, without having to send it to the IRS every April 15th.

OVER

The Honorable John Linder 3675 Crestwood Parkway, Suite 530 Duluth, GA 30096

Dear Representative Linder:

Enclosed is a revised copy of "Abolish All Tax Except Sales Tax" sent to you previously. I added no sales tax on used goods so low income people would pay no tax by buying used goods such as cars, appliances, etc.

I do not fully agree with you on every family receiving a rebate of the sales tax on spending up to the Federal poverty level, to be paid monthly in advance. I see no need for this, and how are you going to keep up with what every family spends?

Sincerely,

Styles H. Chandler

3264 Alabama Rd. NW

Rome, GA 30165-8804

Email schandler45@home.com

Telephone 706/295-7360

JOHN LINDER

COMMITTEE ON RULES

COMMITTEE ON
HOUSE ADMINISTRATION

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Congress of the United States House of Representatives Washington, DC 20515–1011

August 6, 2001

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Mr. Styles H. Chandler 3264 Alabama Road, NW Rome, Georgia 30165

Dear Mr. Chandler:

Thank you for contacting me regarding H.R. 2525, the "Fair Tax Act of 2001." I appreciate your interest in this proposal.

As you know, this bill will eliminate all income taxes, all taxes on capital gains, all payroll taxes (including Social Security and Medicare taxes), the self-employment tax, and the gift and death taxes. These numerous burdens will be replaced by a single national sales tax.

I would like to explain the rebate aspect of my proposal in further detail. The reasoning behind the rebate is that it will make the FairTax truly fair. *Every* family would receive a rebate of the sales tax on spending up to the Federal poverty level, to be paid monthly in advance. This would allow a family of four to spend \$23,220 annually without having to pay a single penny in Federal taxes. In effect, such a rebate allows all Americans to purchase essential goods and services tax-free. The government would not track your individual spending, rather everyone would receive the same rebate each month, based on family size. As all of your basic necessities would be tax-free, you could choose how much you want to spend in taxes above that amount through your spending.

I appreciate your support of the FairTax. The most important thing you can do is to help spread the word to your friends and neighbors. Please feel free to visit my Internet website at http://linder.house.gov to find out more about the FairTax effort. With the help of enthusiastic and hard-working individuals like yourself, I believe we can make the FairTax a reality. The time is right for this type of sweeping change, and I am confident that the American people will stand with us in this effort.

Sincerely,

John Linder

Member of Congress

OVER

JL:klh

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Style, not substance, separates lawmakers on taxes

By Jeffrey McMurray Associated Press Writer

washington — Bob Barr has no problem with the tax policy John Linder is selling, only the way he is selling it. Linder alleges Barr is trying to take credit for an issue he has championed for three years.

It's the latest example of how this Republican primary battle between two sitting congressmen has become more a conflict of style than substance.

Both conservative lawmakers contend real tax reform involves far more than flatter tax codes and lofty rebates. Rather, they are advocating the complete elimination of income taxes, to be replaced by a national sales tax, perhaps as high as 23 percent.

Proponents of the divisive issue call it the Fair Tax, and for three years it has been Linder's signature legislation in the House.

However, the proposal hasn't yet reached a floor vote and has gained a mere eight cosponsors.

Linder explains there's a reason for that. Because he wants this overhaul of the Internal Revenue Service to be bipartisan, he has required that any Republican who joins the cause must sign up a Democrat Next year, at least one of the four Democrats — Gary Condit — will be out of office after losing in the California primary.

Thus, when Barr asked permission to be added as a cosponsor, he was turned away.

"It's somewhat mystifying if the goal is to develop some momentum behind a piece of legislation in order to bring it up for a vote," Barr said.

Linder contends he would have more than 150 Republican co-sponsors on the bill if he lifted the "sign a Democrat" requirement, but he's determined to do it this way. He dismisses Barr's criticism of his approach.

"The difference was I was able to help raise \$22 million to do research, get people together and travel the country selling it," Linder said. "I've done 300 to 400 talk radio shows selling it. He's willing to sit back and let others take leadership."



Copy

BOB BARR

7th District Georgia

ASSISTANT MAJORITY WHIP

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COMMITTEES:

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FINANCIAL SERVICES

JUDICIARY
Chairman, Subcommittee
on Commercial and
Administrative Law

April 3, 2002

Mr. Styles H. Chandler 3264 Alabama Hwy NW Rome, Georgia 30165

Dear Styles:

Thank you for contacting me regarding your support for a national sales tax.

I believe our current system of taxation is in dire need of reform. When Americans work harder, they are rewarded with higher taxes. When Americans try to save, they are rewarded with taxes on the interest and, coupled with inflation, an actual decrease in the purchasing power of their savings each year. American producers must pay United States income taxes, but must compete with importers which do not.

Our current system of taxing income penalizes production and savings, subsidizes foreign imports, distorts economic decisions and is extremely difficult and expensive to administer.

Americans should not be punished for saving their hard-earned money. Currently, the more we work, the higher the tax rate — a disincentive to work harder or produce more. By taxing interest and dividends earned, families no longer see an advantage to saving and investing. The impulse to invest in one's future has been replaced by a spend-thrift habit. This drains money away from investment, research, and development which is essential to a growing economy

It is a fundamental rule of economics that taxes are a cost of doing business and are passed through to consumers in the final price of an American product. The consumer already pays any tax the producer pays because there is no one else to pass it on to. This makes American products artificially more expansive and less competitive with foreign goods. By instituting a national sales tax, American products would compete on a level playing field, and altogether have their imports subjected to the same sales tax as everyone else.

DISTRICT OFFICES

Many believe a national sales tax would be much more efficient and cost taxpayers almost nothing to comply. The current system encourages tax avoidance. The Internal Revenue Service tax code, regulations, and ruling exceed 10,000 pages, making tax compliance impossible to understand or enforce.

Again, thank you for contacting me. Your thoughts and comments are always welcome.

With warm regards, I am,

very truly yours,

BOB BARR

Member of Congress

Seventh District of Georgia

BB:jjb

JOHNNY ISAKSON 6TH DISTRICT, GEORGIA

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Congress of the United States House of Representatives

Washington, **BC** 20515-1006 October 8, 2003

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http://www.house.gov/isakson

Styles Chandler 3264 Alabama Highway Northwest Rome, Georgia 30165-8804

Dear Styles:

Thank you for contacting my office regarding the Fair Tax. I appreciate your thoughts and the opportunity to respond.

I agree with you that the tax code is a source of anxiety and frustration for American taxpayers. This is why I voted in 2000 to repeal the tax code entirely and create a select commission to study the simplest and fairest way to raise government revenue. The commission would have studied the implications of a fair tax, flat tax, and other proposals. This legislation was introduced by Representative Steve Largent as H.R. 4199, the Date Certain Tax Code Replacement Act. The bill passed the House of Representatives by a vote of 229-187; the Senate did not act on H.R. 4199. This year, I am the co-sponsor of the reintroduced version of the Date Certain Tax Code Replacement Act, H.R. 278, which does the same thing as the previous version of 2000.

First and foremost, I believe that we need to fundamentally reform our tax system and eliminate wasteful spending. A consumption tax, such as the Fair Tax and which has been referred to as the "Cadillac of taxes," is, in my mind, the most efficient form of taxation. Because I believe that true tax reform will not occur until Congress is faced with a deadline, I am supporting the Date Certain Tax Code Replacement Act as a way to begin the discussion. The time has come for a robust national debate on this issue, and this bill frames the debate exactly as it should -- not on any one proposal but on all options available. In order to bring the debate forward, I have gladly signed on as a co-sponsor to H.R. 25, the Fair Tax, sponsored by Congressman John Linder (R-GA). Bringing one proposal forward will undoubtedly open up debate and discussion of all major alternatives to our tax system.

While I believe a fair tax may be the best solution, we must also be willing to consider other reform proposals such as former Majority Leader Dick Armey's flat tax. Regardless, there are certain issues that must be addressed before final passage of any comprehensive reform. As a businessman, I understand that we need to ensure that the transition from the current system to an alternative system is as seamless as possible, recognizing that economic decisions have been based on depreciation, tax credits, interest, and other tax-free or tax-deferred investments that exist under the current system

OVER

Styles Chandler Page 2

The importance of the transition plan cannot be underestimated if we are to avoid damaging the economy and harming the American family. We must not make the same mistake that we did in the 1980s. The Tax Reform Act of 1986 was well intentioned in its purpose of simplifying the tax code, but its unintended consequences were dramatic in contributing to the recession of the early 1990s and the collapse of the Savings & Loan industry. This must not be allowed to happen again. Ultimately, good tax policy is good economic policy.

Our \$10 trillion economy is fueled by the hard work and creativity of the American people. There is no doubt that the current tax code serves as a barrier to the long-term growth and health of our economy. Congress must do something to bring tax relief to America's families and businesses.

Please feel free to visit my website at www.house.gov/isakson for more information on issues that may be of importance to you, as well as to sign up for my monthly email update. Thank you again for contacting me, and I hope you will not hesitate to call on me in the future if I can be of assistance to you.

Sincerely.

Johnny Isakson Member of Congress

JI:i4

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORE